

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

**Agenda ID 14228
RESOLUTION E-4723
September 17, 2015**

R E S O L U T I O N

Resolution E-4723. Implementation of smart meter opt-out provisions in compliance with Decision (D.) 14-12-078.

PROPOSED OUTCOME:

- This Resolution approves, with modifications, the advice letter filings of Southern California Edison Company (SCE), Southern California Gas Company (SoCalGas), Pacific Gas and Electric Company (PG&E) and San Diego Gas & Electric Company (SDG&E).

SAFETY CONSIDERATIONS:

- This Resolution implements the smart meter opt-out provisions ordered in D.14-12-078. That decision considered the costs associated with opt-out service and expressly excluded consideration of alleged health and safety impacts of smart meters from the implementation phase of the proceeding.

ESTIMATED COST:

- Balancing accounts implemented in this Resolution will track revenues collected from residential smart meter opt-out customers and recorded costs of smart meter opt-out service. Recorded amounts will be reviewed in each utility's next General Rate Case (GRC) for allocation or refund to residential customers, as appropriate.

By SCE Advice Letter (AL) 3172-E filed on February 6, 2015, SoCalGas AL 4756 filed on February 10, 2015 (as supplemented on June 2, 2015), PG&E AL 3568-G/4594-E filed on February 26, 2015, and SDG&E AL 2712-E/2369-G filed on March 6, 2015.

SUMMARY

In D.12-02-014, the Commission modified PG&E's smart meter program to include an opt-out alternative for residential customers who do not want a wireless smart meter. The Commission issued similar decisions for SCE in D.12-04-018, for SDG&E in D.12-04-019, and for SoCalGas in D.14-02-019. In all of these decisions, the Commission authorized the utilities to impose interim fees and monthly charges to customers who opt-out of smart meter service to cover costs of the program, and establish memorandum accounts to track the revenues and costs associated with providing the opt-out choice. Outstanding issues concerning actual costs and cost allocation associated with smart meter opt-out were subsequently considered and decided in D.14-12-078. The utilities filed advice letters to implement D.14-12-078 directives. In this Resolution, we address those advice letters, and approve them with modifications.

Consistent with our determination in D.14-12-078 for SCE, we direct the utilities to exclude all "exit costs" from their smart meter opt-out balancing accounts. Should the utilities determine that costs associated with re-installing a smart meter are significant, cost recovery can be re-evaluated in each utility's next respective GRC.

We authorize the utilities to transfer balances in their smart meter opt-out memorandum accounts (excluding any "exit-fee" costs, "turn off" costs, or "exit costs") to their smart meter opt-out balancing accounts, and require that the memorandum account balances be retained for review and evaluation in the utilities' next GRCs.

We confirm that electric utilities must use all-analog meters to provide service to residential customers under the smart meter opt-out programs, however, they are allowed to use non-analog meters, as necessary, in limited circumstances to provide TOU service or to address property access issues.

Because the timeframe to implement bimonthly meter reading was not specified in D.14-12-078, we grant the utilities a reasonable amount of time to execute this directive.

BACKGROUND

The Commission directed PG&E, SDG&E, SCE, and SoCalGas to modify their tariffs to include an opt-out option for residential customers who do not want a wireless smart meter installed at their location. The Commission also adopted interim fees/charges and authorized memorandum accounts to track associated revenues and costs.

Between 2006 and 2010, the Commission authorized PG&E, SDG&E, SCE, and SoCalGas to deploy Advanced Metering Infrastructure (AMI) systems.¹ Among other things, the AMI program would replace analog meters with smart meters. In D.12-02-014, the Commission modified PG&E's smart meter program to include an opt-out alternative for residential customers who do not want a wireless smart meter. The Commission issued similar decisions for SCE in D.12-04-018, for SDG&E in D.12-04-019, and for SoCalGas in D.14-02-019. In all of these decisions, the Commission authorized the utilities to impose interim fees and monthly charges to customers who opt-out of smart meter service to cover costs of the program, and establish memorandum accounts to track the revenues and costs associated with providing the opt-out choice.

Issues concerning the actual costs associated with providing the opt-out option and cost allocation were addressed in a subsequent phase of the proceeding.

In D.14-12-078 in Application (A.) 11-03-014 et al., the Commission addressed outstanding issues regarding who should bear responsibility for costs associated with opt-out service, as well as the appropriate fees and charges for residential customers in the service territories of PG&E, SCE, SDG&E, and SoCalGas.

Specifically, it:

- authorized the utilities to recover costs, up to specified amounts, associated with providing the opt-out alternative,

¹ See D.06-07-027 for PG&E, D.07-04-043 for SDG&E, D.08-09-039 for SCE, and D.10-04, 027 for SoCalGas.

- limited monthly customer charges to a period of three years from the date the customer chooses to opt-out,
- generally allocated opt-out service costs (e.g. costs for manual meter reading) to residential opt-out customers through the adoption of final fees and monthly charges,
- authorized utilities to file Tier 1 advice letters to create balancing accounts (but did not specify a due date for the filings) to record the amount of revenues collected from opt-out customers as compared to recorded costs of opt-out service,
- ordered SCE to exclude from the balancing account the “exit-fee” costs,
- allowed utilities to propose adjustments to the opt-out charges and fees as part of their GRC application,
- directed utilities to implement bi-monthly meter reading bill plans,
- affirmed the finding in D.12-02-014 that an all analog meter is the only option available to those who opt-out of smart meter service,
- determined that local governments and entities such as condominiums and other multi-unit dwellings should not be allowed to opt out of smart meter programs on behalf of individual residents, and
- concluded that charging the opt out fee does not violate the Americans with Disabilities Act or PU Code 453(b).

The utilities submitted advice letters to implement the directives from D.14-12-078.

SCE filed AL 3172-E on February 6, 2015, SoCalGas filed AL 4756 on February 10, 2015², PG&E filed AL 3568-G/4594-E on February 26, 2015, and SDG&E filed AL 2712-E/2369-G on March 6, 2015. In these implementation advice letter filings, the utilities propose new tariffs, or modifications to existing tariffs, to implement the gas and/or electric (as applicable) smart meter opt-out balancing accounts ordered in the D.14-12-078, and propose that the existing balances from the previously authorized memorandum accounts be transferred to them. In addition, they propose tariff revisions to limit the monthly customer opt-out charge to 3 years (36 months) and implement bi-monthly meter reading

² SoCalGas also filed supplemental AL 4756-A on June 2, 2015.

bill plan. SDG&E and SCE proposed tariff language to prohibit local government and entities such as condominiums and other multi-unit dwellings from exercising the opt-out option on behalf of individual residents.

NOTICE

The advice letters addressed in this Resolution were noticed in the Daily Calendar and served on parties in accordance with General Order 96-B directives.

Notices of SCE's AL 3172-E, SoCalGas' AL 4756/-A, PG&E's AL 3568-G/4594-E, and SDG&E's AL 2712-E/2369-G were made by publication in the Commission's Daily Calendar. SCE, SoCalGas, PG&E, and SDG&E state that a copy of their advice letter was mailed and distributed in accordance with Section 4 of General Order 96-B.

PROTESTS

Protests of the smart meter opt-out implementation advice letters were filed by Aglet Consumer Alliance (Aglet), Center for Electromog Prevention (CEP), the Ecological Options Network and EMF Safety Network (EON/Network), Eric Lynn, and Johnnie Burik.

SCE's AL 3172-E, SoCalGas' AL 4756, and PG&E's AL 3568-G/4594-E were protested by Aglet on March 2, 2105³. Since SDG&E hadn't filed an advice letter as of that date, Aglet requested that the Commission apply the outcome of its protest to any subsequent advice letters that would establish smart meter opt-out balancing accounts for SDG&E. SCE's AL 3172-E, PG&E's AL 3568-G/4594-E, and SDG&E's AL 2712-E/2369-G were protested by CEP on March 9, 2015 and by EON/Network on March 18, 2015⁴. Residential customers, Eric Lynn and

³ SCE's AL 3172-E was filed on February 6, 2015 and its protest period concluded on February 26, 2015. Pursuant to GO 96-B, General Rule 7.4.1, Aglet's protest to SCE's filing is considered late.

⁴ CEP's and EON/Network's protests to SCE's filing are also considered late.

Johnnie Burik, each submitted a late filed protest of SCE's AL 3172-E on April 22, 2015. The protests on various issues are summarized below.

Inclusion of Incremental Savings: Aglet asserts that the utilities' proposed language on incremental costs fails to consider incremental savings/benefits, and the Commission or Energy Division should require them to amend their advice letters to include balancing account credits for the avoided costs of smart meters that are not needed by opt out customers. Specifically, Aglet asserts that each new opt out customer that has never had a smart meter relieves the utility of the cost of purchasing one or providing one from inventory, and each opt out customer that already has a smart meter allows the utility to return to inventory one with remaining useful life. Aglet requests that the utility tariffs be revised to include incremental savings associated with each opt-out customer's switch from a smart meter to an analog meter (i.e. the costs saved by avoiding the purchase of a smart meter).

Exit Costs: Aglet also asserts in its protest that the Commission did not approve rate recovery of "exit costs"⁵ in D.14-12-078, and recommends that PG&E and SoCalGas delete provisions in their implementation advice letters that would allow balancing account debits for installation of smart meters when opt-out customers move or decide not to take opt-out service. Specifically, Aglet contends that the Commission was clear in its directives to all utilities that "exit fees" should not be assessed upon opt-out customers, and it was also clear in its directive to SCE that "'exit-fee' costs" are to be excluded from the smart meter opt-out balancing accounts⁶. Aglet asserts that approval of "exit cost" recovery for PG&E and SoCalGas through the balancing accounts would be contrary to Commission orders and would risk double recovery of those costs.

⁵ Aglet defines "exit costs" as the capital-related costs of smart meters that replace analog meters when a customer moves or decides not to opt out.

⁶ See D.14-12-078, page 46, Conclusion of Law 23, and Ordering Paragraph 11.

Transfer of memorandum account balances to balancing accounts: Aglet asserts that approved balancing account provisions should also apply to amounts previously recorded in opt-out memorandum accounts.

All-analog meter: CEP requests that the Commission direct the utilities to preclude using any electric meter type other than an all-analog meter for opt-out. Eric Lynn and Johnnie Burik, assert that contrary to the directives in D.14-12-078, SCE has refused to provide an all-analog meter and instead has given them a meter that has a digital display that looks like a smart meter.

Terms and conditions of opt-out: CEP requests that the Commission order the electric utilities to remove language from their proposed tariffs which it believes implies the terms and conditions of D.14-12-078 are optional.⁷

CEP also objects to any wording in the electric utilities' implementation advice letters that it asserts changes the intent of D.14-12-078, by adding new terms and conditions. Specifically:

- CEP states that "quarterly reading⁸" is mentioned as if it is a choice under the decision when bi-monthly readings were specifically determined to be the only reading period to be used, immediately, for all opt-out customers, therefore the utilities cannot read meters monthly or quarterly, under any conditions.
- CEP objects to SDG&E tariff language that says it will not combine reading of two meters on the same property because it asserts Conclusion of Law 21 of D.14-12-078 requires that it will be done.

⁷ See SDG&E AL, p. 13: "When the Utility, at its sole discretion, elects to read a meter on a bi-monthly basis" and also on p. 13: "If the greater of five (5) percent or twenty-five (25) customers in the affected areas collectively object to the bi-monthly or quarterly meter reading, the Utility will revert the affected area to a monthly meter reading schedule". In PG&E's AL, p. 13: "At PG&E's discretion, the SmartMeter™-module will be removed from the gas meter, or the gas meter will be exchanged for an analog gas meter, at premises where PG&E provides gas service."

⁸ See SDG&E AL, p. 13: "If the greater of five (5) percent or twenty-five (25) customers in the affected areas collectively object to the bi-monthly or quarterly meter reading, the Utility will revert the affected area to a monthly meter reading schedule"

- CEP objects to language in SDG&E's Rule 17 governing "Estimated Bills."⁹ CEP believes that in all cases, for all utilities, as explained in SDG&E's introduction, estimated bills *must be based on the customer's average daily use of the prior month*. Otherwise, CEP asserts that this opens the door to overcharging of opt-out customers during the estimation period, which it asserts has been a reported practice according to some utility customers.
- CEP argues that there are punitive measures mentioned in the implementation advice letters, or derived from carrying out the opt-out that could lead to customer harassment, discouragement from being part of the opt-out program, or being shut off from customer electric or gas service in connection with opt-out billing or access to property, including when animals are present or gates are locked. CEP believes that utilities should work with customers to find an acceptable solution for each customer to read the analog meters for those who cannot take days off from work to be present, or allow the utility unrestricted, unsupervised access.

Multiple meters: CEP asserts that D.14-12-078 (Conclusion of Law 21) informs utilities that multiple meters on a property will be read at the same time, thus reducing costs of the opt-out.

Education and assistance on opt-out: CEP asserts that customers should be assisted to opt-out. CEP believes that customers are not aware of the opt-out availability, or the terms of the opt-out, including not having to pay fees after the first three years. CEP therefore requests that the utilities include in their advice letters, that in each of their monthly newsletters, they will incorporate an informational piece that informs customers that they may opt-out of the smart meter program, that fees are limited to 3 years, and how to do so, without any negative comments regarding the opt-out as an option.

⁹ See SDG&E AL, p. 13: "Estimated consumption for this purpose will be calculated considering the customer's prior usage, the Utility's experience with other customers of the same class in that area, and the general characteristics of the customer's operations."

CEP also believes that the utilities should conduct trainings of their personnel answering phones to inform them how to help people opt-out easily. CEP asserts that customers from multiple utilities have informed CEP that they are told over the phone by utility representatives that there is no opt-out, or may be transferred around or kept on the phone a long time, when requesting an opt-out.

Furthermore, CEP suggests that utilities include how they will offer analog opt-out meters to solar customers, without extra costs or punitive practices, discrimination due to being on a solar program or opting out, utilizing the full terms and conditions in D.14-12-078.

Audits of opt-out utility program practices and costs: CEP requests that there be ongoing audits, with independent oversight by ORA, of all opt-out utility program practices and costs.

Bi-monthly meter reading: CEP objects to the timing of the utilities' proposed implementation of the bi-monthly meter reading changes, arguing that Rule 15.4 of the Commission's Rules of Practice and Procedure states that D.14-12-078 became effective 20 days after it was implemented, yet the utilities proposed implementation upon Commission approval of their advice letters. CEP asserts that the bi-monthly meter reading changes should be effective on January 20, 2015.

E-mail communications: EON/Network demand that the electric utilities' advice letters be rejected on the basis that an archive of e-mail exchanges contain evidence showing the smart meter opt-out proceeding was flawed and invalid.

The utilities submitted replies to the protests. They believe the protests are without merit, and the Commission should approve their advice letters as filed.

SCE and SoCalGas replied to Aglet's protest on March 9, 2015. SCE replied to CEP's protest on March 18, 2015¹⁰. PG&E and SDG&E replied to the protests of Aglet, CEP, and EON/Network on March 25, 2015 and April 2, 2105, respectively. SCE replied to the protests of EON/Network, Eric Lynn, and Johnnie Burik on May 18, 2015. The utilities' responses to the protests on various issues are summarized below.

Inclusion of Incremental Savings: SCE and PG&E assert that Aglet's recommendation to include incremental savings associated with opt-out be in the balancing account is improper and should be rejected because the Commission already considered this issue and declined to adopt a meter credit. Similarly, SoCalGas asserts that because D.14-12-078 makes no mention of recording incremental savings in the utilities' balancing accounts, Aglet's proposal is inconsistent with the decision and unwarranted. SDG&E states that it already purchased all smart meters to complete the smart meter rollout. SDG&E does not agree with Aglet that incremental savings exist when switching from a smart meter to an analog meter, and thus does not believe that there are incremental savings to be recorded in the utilities' balancing accounts.

Exit Costs: In response to Aglet's contention that the Commission intended to exclude "exit costs" from the new balancing accounts, PG&E replies that it believes Aglet confuses exit "costs" and "fees" with under-collections that could result if smart meter opt-out costs exceed revenues. PG&E asserts that it is not proposing to collect "exit fees" or "exit costs" from opt-out customers but rather it is tracking all smart meter opt-out program costs and revenues in the balancing accounts for subsequent allocation or refunds to the residential customer class. SCE confirms that it explicitly excludes "exit-related costs" from its smart meter opt-out balancing account in compliance with D.14-12-078. SoCalGas doesn't address the issue of recording "exit costs" in the balancing account; it simply states that it will not assess "exit fees" on its opt-out customers. SDG&E replies

¹⁰ On March 25th, CEP responded to SCE's March 18th reply, however, this Resolution does not address it because Section 7.4.3 of G.O. 96-B does not allow a protestant to respond to a utility' reply.

that, as directed in D.14-12-078, it will not record “exit fee costs” within its smart meter opt-out balancing accounts.

Transfer of memorandum account balances to balancing accounts: Only SoCalGas responded to Aglet’s recommendation that the utilities’ approved balancing account provisions also apply to amounts previously recorded in opt-out memorandum accounts. SoCalGas believes that D.14-12-078 has already given clear guidance allowing the transfer of amounts. SoCalGas claims that consistent with the direction given, it proposed to transfer the memorandum account balances to the balancing account which would subject them to the balancing account provisions. Therefore, SoCalGas believes Aglet’s proposal is unnecessary and no further revisions are warranted.

All-analog meter: In response to CEP’s contention that only an all-analog meter is acceptable, SCE asserts that the Commission allows its customers to receive an analog meter or the customer’s previous meter form, which could be a non-analog meter.

In response to the protests of Eric Lynn and Johnnie Burik, SCE states that its Smart Meter Opt-Out tariff allows for a single opt-out option, in which the customer retains whatever meter they previously had before the installation of an Edison SmartConnect meter. SCE believes that this provision complies with previous Commission directives throughout SCE’s opt-out proceeding, complies with the spirit of D.14-12-078, and is meant to promote convenience for customers electing to opt-out. In addition, SCE states that although it was not able to make contact with or even verify either of the protestors as SCE customers of record, in the event that any customer has a non-analog legacy meter, upon request, SCE will exchange the meter with an analog meter, provided the reason for the non-analog meter installed has been addressed (e.g. property access issue).

Terms and conditions of opt-out: PG&E contends that its proposed terms and conditions are neither “optional” nor “punitive” nor does it propose to derive any such measures in carrying out the opt-out program as CEP asserts but rather implement the decision in the most cost-effective and operationally efficient manner. PG&E states that it will follow its tariffs regarding any and all billing

and/or property-access issues consistent with its standard tariffed practices. PG&E asserts it will implement bi-monthly meter reading for opt-out customers, and is in the process of updating its meter reading plan to minimize the costs of meter reading. PG&E believes that CEP has not claimed any specific incident or practice of unlawful conduct that would cause opt out to become a source of “profit” for the utilities.

SDG&E asserts CEP’s arguments alleging that it is adding new terms and conditions that change the intent of the decision are out of scope because it is objecting to tariff language in its Rule 17 Meter Reading tariff that has been in existence for years. SDG&E states that it only added language to clarify that the Commission ordered it to read meters for residential customer who opt-out of wireless smart meters on a bi-monthly basis. Also, SDG&E believes CEP’s cited examples inaccurately portray SDG&E’s efforts around its smart meter opt-out program, and it does not support its argument alleging “unnecessary and wasteful practices”.

Education and assistance on opt-out: Contrary to CEP’s contention that it discourages rather than assists customers from choosing to opt out, PG&E asserts that it provides educational information to its customers informing them of all programs and services offered by PG&E. For example, PG&E states that it will be reaching out to its current opt-out customers to notify them of the changes in the program as a result of D.14-12-078.

SDG&E disagrees with CEP’s allegations that personnel in utilities’ call centers are not properly trained and that utilities do not offer analog opt-out meters to solar customers. SDG&E argues that its smart meter opt out procedures are specific and provided to all SDG&E Energy Service Specialists (ESSs) as part of the call center tools. It states that there is also a process on the PowerPad tool that provides the ESSs with a series of prompts for standard requests to ensure that they have completely covered the information for common transactions such as turn-on, shut-off and also smart meter opt-out. SDG&E asserts that this information has been already updated to include the latest information provided by D.14-12-078. As of December 31, 2014, SDG&E states that 2,721 residential customers were enrolled in SDG&E’s opt-out program with approximately 470 enrollments occurring throughout 2014.

In response to CEP's allegation that the utilities do not offer analog opt-out meters to solar customers, SDG&E states that it does not preclude solar or any residential customer from SDG&E's smart meter opt-out program. To date, SDG&E reports that it has approximately 220 residential solar customers participating in its smart meter opt-out program.

Audits of opt-out utility program practices and costs: SCE argues that CEP's request that the utilities have ongoing audits, with independent oversight by ORA, of all opt-out utility program practices and costs should be disregarded because there is already adequate oversight and review of the opt-out program. SCE asserts that, pursuant to D.14-12-078, the costs incurred and revenues collected associated with providing the opt-out option, will be reviewed in its next GRC which provides all parties, including ORA, the opportunity for detailed review of costs and revenues. Similarly, PG&E argues that the Commission has broad authority to regulate and review utility practices. And, as directed by Ordering Paragraph 6 of D.14-12-078, PG&E will include a summary of costs incurred and revenues collected in order to provide the opt-out option in its 2017 GRC. PG&E asserts the GRC will allow all parties the opportunity to review all costs and revenues associated with the opt-out program.

Bi-monthly meter reading: PG&E and SCE believe that that CEP's assertion that the utilities must implement bi-monthly meter reading, effective on January 20, 2015, has no basis. They contend they must file advice letters to propose tariff provisions associated with the new requirement, and the Commission did not specify a deadline for submitting them.

PG&E asserts that the Commission did not specify a deadline by which it was to file its advice letter. SCE also believes CEP's objection is without merit and should be disregarded. SCE asserts that Rule 15.4 states "[d]ecisions shall become effective 20 days after issuance, unless otherwise provided therein." (Emphasis added.) SCE notes that the language within D.14-12-078 states it is effective December 18, 2014; thus, SCE argues that Rule 15.4 does not apply in this instance. Regardless, SCE points out that OP 25 of D.14-12-078 states the utilities shall implement a bi-monthly (i.e., every two months) meter reading bill plan for customers who elect the smart meter opt-out option, yet it does not state

when the utilities must implement this provision. SCE interprets that pursuant to OP 25, the utilities need to file an advice letter proposing the tariff provisions and terms and conditions associated with this new meter reading requirement, and receive Commission approval before implementation can begin.

E-mail communications: SDG&E asserts that EON/Network's allegations are outside the scope of its advice letter filing and not subject to protest. In addition, SDG&E states that they are subject of applications for rehearing of D.14-12-078 now pending before the Commission, and should be considered, if at all, in that context.

PG&E asserts that EON/Network's allegations are not only untrue but no emails have been identified that reflect "a flawed and invalid [Opt-Out] proceeding". PG&E requests that their protest objections be summarily rejected. To the extent any party contests a Commission decision, PG&E states that it may file an application for rehearing.

SCE asserts that EON/Network's protest should be rejected because it does not address any portion of SCE's opt-out implementation advice letter nor provide any evidence that SCE did not comply with the directives of D.14-12-078.

DISCUSSION

In contemplating D.14-12-078, we considered but declined to require utilities to record any incremental savings associated with avoided costs of smart meters in their opt-out balancing accounts.

SCE, SoCalGas, PG&E, and SDG&E request approval of balancing account provisions in their smart meter opt-out implementation advice letters that would allow them to record revenues collected from residential opt-out customers as compared to recorded costs of opt-out service. In its protest, Aglet generally agrees that the balancing accounts should record incremental costs, but asserts that incremental savings associated with the opt-out program should also be recorded in the balancing accounts.

As the utilities point out, Aglet's arguments on this issue are not new. In the proceeding leading to D.14-12-078, Aglet argued that if the Commission authorized initial charges to cover the fixed costs of opt-out service, these charges should be offset by credits for the avoided costs of smart meters that customers do not need. Aglet specifically requested that the Commission require the utilities to credit their opt-out memorandum or balancing accounts with the value of all smart meters replaced under opt-out programs¹¹. Although we considered Aglet's arguments, we directed the utilities to track revenues collected and recorded costs in their opt-out balancing accounts, and did not direct them to include credits to reflect avoided costs of smart meters.

Consistent with our determination for SCE, all "exit-fee costs", "turn off costs", or "exit costs" should be excluded from the utilities' smart meter opt-out balancing accounts. If the utilities determine that costs associated with re-installing a smart meter are significant, cost recovery can be re-evaluated in each utility's next respective GRC.

SCE and SDG&E propose tariff language in their smart meter opt-out implementation advice letters that explicitly excludes "exit fee" or "turn off" costs (i.e. the costs associated with returning an opt-out customer's meter to standard service) from being recorded in their balancing accounts. PG&E, on the other hand, includes specific language in its tariffs that allows it to record such costs in its balancing accounts¹² and SoCalGas includes general tariff language in its balancing account which could allow these costs.¹³

¹¹ See A.11-03-014 et al., 1/11/13 Opening Brief of Aglet, pp. 20-22 and 11/18/14 Opening Comments of Aglet on Proposed Decision of ALJ Yip-Kikugawa and Alternate Proposed Decision of Commissioner Peevey.

¹² In its gas smart meter opt-out balancing account tariff, PG&E includes the following debit entries: "[t]he capital cost of reinstalling a gas SmartMeter module if a customer electing opt-out service moves (change of party) or determines they no longer wish to participate in the Opt-Out Program" and "[t]he capital cost of reinstalling a gas SmartMeter module if a customer electing opt-out service does not pay the initial charge within 90 days and the customer is removed from the Opt-Out Program and returned to wireless-SmartMeter-based service, as required by D.12-02-014". PG&E includes similar language in its electric smart meter opt-out balancing account tariffs.

Footnote continued on next page

In the section of D.14-12-078 that addressed cost responsibility and allocation issues common to all of the utilities, we stated that “[e]xit costs, also referred to as ‘exit fees,’ are the costs associated with returning an opt-out customer’s meter to standard service which in this instance means utility service that is measured through a smart meter”. And that “[t]he IOU proposals for recovering these costs range from embedding the costs in the initial fee (i.e., SCE and SoCalGas) to recovering these costs from *all* customers who pay distribution rates, rather than just from opt-out customers (i.e., PG&E).” We then concluded that “that no exit fee shall be assessed upon opt-out customers.”¹⁴ From this discussion, it is evident that “exit costs” shall not be charged to opt-out customers in their “fee”, however, it is not clear if “exit costs” can be charged to all residential customers through entries into utility balancing accounts. We addressed that issue in a separate section of the decision that only pertained to SCE.

In our discussion of SCE’s costs, we considered and agreed with DRA’s argument that “turn off” costs impact the opt-out customers’ monthly charge but are otherwise analogous to “exit costs” and should be excluded from the opt-out revenue requirement (and hence rates) for the same reason as “exit costs”. We explained that since we did not adopt an “exit fee” for the utilities, disallowing these costs is consistent with that determination and stated that “[s]hould SCE determine that there are significant costs associated with turn-offs, SCE is free to request recovery in their GRC”.¹⁵ Accordingly, we ordered SCE to exclude “‘exit-fee’ costs” from its balancing account and propose any future adjustments to account for over- or under-collections as part of its GRC application filing.¹⁶

¹³ In its smart meter opt-out balancing account tariff, SoCalGas includes: “[a] debit entry equal to the incremental capital-related costs (i.e. depreciation, return and taxes) incurred for activities required to implement and run the Program”.

¹⁴ See D.14-12-078, pages 40- 41.

¹⁵ See D.14-12-078, pages 27-28.

¹⁶ See D.14-12-078, Ordering Paragraph 11.

Although these directives for the balancing account disallowance pertained only to SCE, our reasoning was based upon consistency with our decision not to adopt an “exit fee” for all of the utilities. We agree with Aglet that all utilities should exclude “exit costs” from their smart meter opt-out balancing accounts.

Within 10 days, PG&E shall file a supplemental advice letter to a) remove tariff language from its gas and electric smart meter opt-out balancing accounts that provides for debits for reinstalling a smart meter if a customer moves, no longer wishes to participate in the program, or is removed from the opt-out program, and b) add tariff language that specifically excludes any “exit-fee” costs, “turn off” costs, or “exit costs” from being debited into the balancing account. Because SoCal Gas’s proposed balancing account language leaves open the possibility that it may include “exit costs” as part of capital-related costs required to implement the opt-out program, SoCalGas shall also file a supplemental advice letter within 10 days to add the same specific exclusion language. No additional filings are required of SDG&E and SCE since they have already explicitly excluded “exit fee(s)” or “turn-off” costs from their smart meter opt-out balancing accounts in compliance with D.14-12-078.

Consistent with our discussion in D.14-12-078, if the utilities determine that costs associated with re-installing a smart meter are significant, they can seek to recover, as part of their next GRC application, those incremental costs from opt-out customers through a “fee” or may propose that the costs be socialized to all residential customers through an entry in their respective smart meter opt-out balancing account.

Utilities are authorized to transfer balances from their smart meter opt-out memorandum accounts (excluding any “exit-fee” costs, “turn off” costs, or “exit costs”) to their smart meter opt-out balancing accounts. Memorandum account entries must be retained for review and evaluation in the utilities’ next GRC.

SCE, SoCalGas, PG&E, and SDG&E request in their implementation advice letters that previously established smart meter opt-out memorandum account balances be transferred to their smart meter opt-out balancing accounts, and the memorandum accounts be eliminated upon transfer. SCE and SDG&E each

include in their proposed balancing account tariff, a specific entry for the initial transfer of the memorandum account ending balance. SoCalGas does not include an entry for the transfer of the memorandum account balance. PG&E proposes general tariff language of “a debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts upon approval by the Commission”.

In D.12-02-014, D.12-04-018, D.12-04-019, and D.14-02-019, we authorized the utilities to establish interim memorandum accounts to track the revenues and costs associated with providing the opt-out choice to preserve the opportunity to seek recovery of these costs and revenues once a final decision on cost and cost allocation is issued. In D.14-12-078, we stated that the utilities may transfer the amounts from these memorandum accounts to the balancing accounts for recovery “subject to the restrictions specified”.¹⁷ Thus, as Aglet correctly states, the rules ordered in D.14-12-078 for the balancing accounts would apply to the memorandum accounts. Accordingly, consistent with our discussion above, PG&E and SoCalGas shall remove any all “exit-fee” costs, “turn off” costs, or “exit costs” from their memorandum account balances.

Although we allow the transfer of memorandum account balances into the proposed balancing accounts, the actual entries into the memorandum accounts for costs incurred and revenues collected, are subject to reasonableness review prior to recovery from ratepayers in each utility’s next GRC. We made this clear in establishing the memorandum accounts for PG&E, SCE, SDG&E, and SoCalGas.¹⁸ Furthermore, in addressing memorandum account issues for SCE

¹⁷ See D.14-12-078, page 2.

¹⁸ See footnote 58 of D.12-02-014 for PG&E stating: “Authorization of a memorandum account does not necessarily mean that the Commission has decided that the types of costs to be recorded in the account should be recoverable in addition to rates that have been otherwise authorized, e.g., in a general rate case. Instead, the utility shall bear the burden when it requests recovery of the recorded costs, to show that separate recovery of the types of costs recorded in the account is appropriate, that the utility acted prudently when it incurred these costs and that the level of costs is reasonable. Thus, PG&E is reminded that just because the Commission has authorized these memorandum accounts does not mean that recovery of costs in the memorandum accounts from ratepayers is appropriate.” See corresponding footnote 48

Footnote continued on next page

and SDG&E in D.14-12-078, we clarified that the utilities should request cost recovery in their next GRC cycle.¹⁹ Therefore, the utilities should retain the memorandum account entries available for review and evaluation as part of each of the utilities' next GRC.

In general, electric utilities must use all-analog meters to provide service to residential customers under the smart meter opt-out programs, however, they are allowed to use non-analog meters, as necessary, in limited circumstances to provide TOU service or to address property access issues.

SCE's proposed tariffs in its opt-out implementation advice letter allow SCE to replace a customer's smart meter with an electromechanical analog meter or the customer's previous meter form (i.e., a non-analog, non-smart digital meter). CEP asserts in its protest that D.14-12-078 does not allow non-analog meters and requests that SCE's advice letter filing be revised to preclude using any electric meter type other than all-analog meters. Similarly, residential customers Eric Lynn and Johnnie Burik assert in their protests that contrary to directives in D.14-12-078, SCE has refused to provide them with an all analog meter and instead has given them a digital meter that looks like a smart meter.

SCE argues that the protests are without merit and its advice letter should be approved as filed. SCE asserts that its proposed smart meter opt-out program provisions which allow the customer's "previous meter form" comply with prior Commission directives given to SCE in D.12-04-018 and Resolution E-4558, comply with the spirit of D.14-12-078, and are meant to promote convenience for customers electing to opt-out.

While we agree with SCE that its "previous meter form" tariff provision allowing a non-analog meter is consistent with Commission policy adopted in D.12-04-018

of D.12-04-018 for SCE, footnote 41 of D.12-04-019 for SDG&E, and discussion on page 11 of D.14-02-019 for SoCalGas.

¹⁹ See page 70-72 where we specify that SCE and SDG&E should request cost recovery of the memorandum account balances in their GRC cycle.

and Resolution E-4558, we need to refer to the directives in D.14-12-078 that “[a]ll parties agree that the only opt-out option should be an all-analog meter.”²⁰ While this decision language could appear to limit metering equipment to “all-analog,” as a practical matter, it is not possible to use an analog meter in all circumstances. For example, analog meters cannot support electric TOU service because they cannot collect interval information. In this situation, SCE and PG&E provide customers the option to remain on their current TOU schedule and elect opt-out service using a non-analog, non-smart digital TOU meter or, alternatively, customers may elect to take service under any non-TOU residential schedule for which they are eligible using an analog meter. This is a reasonable implementation solution to address a technical problem.

Another example is Encoder Receiver Transmitter (ERT) meters that are currently installed at customers’ residences to allow SCE personnel to access meter information without having to physically access the customer’s property. SCE explains that the meters do not transmit the meter read until SCE personnel is in the area and request the data through a hand-held device. SCE reports that a significant portion of its customers taking service under its proposed smart meter opt-out tariff have property access issues, where the customer does not grant SCE personnel access to their property to physically read the meter or access creates safety concerns for SCE personnel (such as a dog at the property). We agree with SCE that an ERT meter allows for safe, manual meter reads for SCE personnel without inconveniencing the customer by scheduling appointments to read the meter on a regular basis. However, if a customer wants an all-analog meter and addresses the property access issue, SCE should provide an all-analog meter.

Thus, electric utilities must use all-analog meters under the residential smart meter opt-out program, in general, but are allowed to use non-analog meters, in limited circumstances, when it is necessary to provide TOU service or to address property access issues. An all-analog meter must be provided if the customer requests one, is not taking TOU service, and does not have any property access

²⁰ See D.14-12-078, Finding of Fact 14.

issues²¹. SCE states that this has been its policy but it will update the tariffs to explicitly include this provision.

CEP's objections to existing utility tariff language are beyond the scope of the smart meter opt-out compliance advice letter filings. New and/or revised tariff language proposed in the utilities' smart meter opt-out implementation advice letter filings as modified by this Resolution does not add new terms and conditions to D.14-12-078, nor does it imply the terms and conditions of D. 14-12-078 are optional.

CEP objects to tariff language which it asserts implies the terms and conditions of D.14-12-078 are optional or changes the intent of D.14-12-078 by adding new terms and conditions.

The language CEP is objecting to is not new language being proposed in the utilities' smart meter opt-out implementation advice letters but rather is existing tariff language. Therefore, CEP's objections are outside the scope of these compliance advice letter filings. New and/or revised tariff language proposed in the utilities' smart meter opt-out implementation advice letter filings does not imply the terms and conditions of D.14-12-078 are optional, nor does the language as modified by this Resolution add any new terms and conditions to D.14-12-078.

We have reviewed the utilities' opt-out implementation advice letters and tariffs and do not find any of the proposed language to be "punitive."

CEP argues that there are punitive measures mentioned in the implementation advice letters, or derived from carrying out the opt-out that could lead to customer harassment, discouragement from being part of the opt-out program, or being shut off from customer electric or gas service in connection with opt-out

²¹ SCE stated in its reply to their protest that it was not able to make contact with or verify that either protestants are SCE customers of record. In a phone conversation following the protest submission, Eric Lynn conveyed to the Energy Division staff that SCE had subsequently replaced his meter with an analog meter.

billing or access to property, including when animals are present or gates are locked.

CEP has failed to point to any specific measures in the utilities' opt-out program implementation advice letters and tariffs that it believes to be punitive. We have thoroughly reviewed the utilities' advice letters and tariffs and do not find any of their proposed language to be "punitive."

D.14-12-078 does not specifically direct the electric utilities to read multiple meters on a property at the same time to reduce the cost of the opt-out. However, we do expect utilities to generally read meters in a manner that keeps meter reading costs down.

CEP asserts that Conclusion of Law 21 of D.14-12-078 informs the electric utilities that multiple meters on a property shall be read at the same time to reduce the cost of the opt-out. CEP believes that the utilities' implementation advice letters should be re-written to incorporate this opt-out program term. CEP proposes that reads of the opt-out analog meters at apartment buildings and in neighborhoods could all be scheduled together to save costs.

CEP's interpretation of D.14-12-078 is incorrect. We did not order the utilities to combine meter reading but rather addressed the issues of whether opt-out fees should be assessed on a per meter or per location basis and whether fees should be the same for a customer opting out of a single (electric or gas smart meter) or a dual (both electric and gas meter) commodity. Specifically, we discussed these issues and directed that "fees should be assessed on a per location rather than per meter basis"²² and that "[f]or dual commodity utilities, the opt-out fees and charges should be imposed regardless of whether the customer opts-out of an electric smart meter, a gas smart meter, or both."²³ The utilities' smart meter opt-out implementation advice letters are in compliance with these directives. Although we do not find any specific utility practice that results in unnecessary

²² See D.14-12-078, discussion on pp. 43-44 and Conclusion of Law 20.

²³ See D.14-12-078, discussion on pp. 44-45 and Conclusion of Law 21.

meter reading costs, we expect utilities to generally read meters in a manner to keep their meter reading costs down.

Reasonableness of actual costs recorded in the smart meter opt-out balancing accounts is outside the scope of the implementation advice letters. However, this issue can be raised and addressed in each utility's next available GRC.

CEP maintains that smart meter opt-out should not become a source of profit for the utilities. CEP believes opt-out should be "at cost" and costs should not be inflated by unnecessary and wasteful practices.²⁴

In D.14-12-078, we authorized each of the utilities to create balancing accounts to record revenues collected and costs of opt-out service, with certain specified exclusions. With the exception of those modifications noted in this Resolution, we find that the utilities opt-out implementation advice letter proposals are compliant with our decision directives. Furthermore, in D.14-12-078, we ordered each of the utilities to include a summary of costs incurred and revenues collected associated with providing opt-out option in its next GRC. Therefore, the reasonableness of actual costs recorded in the balancing accounts can be raised and addressed in each utility's next available GRC.

Adding language to monthly newsletters and conducting training to encourage and/or assist customers to opt-out of smart meter service are outside the scope of the smart meter opt-out implementation compliance advice letters.

CEP asserts that customers should be assisted to opt-out rather than discouraged from doing so. CEP suggests that the utilities provide additional information through newsletters or training to assist customers with the smart meter opt-out. CEP also suggests that the utilities include how they will offer analog opt-out to solar customers, without extra costs or punitive practices.

²⁴ CEP cites the following: 1) in SDG&E's territory, analog electric and gas meters were being read by different utility personnel on different days for two neighbors side by side, 2) SDG&E is claiming costs for "meter readers" but doesn't use experienced meter readers which leads to misreads and large bills for some customers, and 3) exit fees for opt-outs must not be charged to individual customers or the customer base as a whole.

CEP's program suggestions goes beyond the implementation provisions specified in D.14-12-078 and therefore is beyond the scope of the smart meter opt-out compliance advice letters.

There is adequate oversight and review of the smart meter opt-out program costs in place.

CEP requests ongoing audits, with independent oversight by ORA, of all opt-out utility program practices and costs, and full public transparency for all oversight, findings, and communications, with quarterly public reports at a minimum.

We believe there is adequate oversight as the GRC provides all parties, including ORA, the opportunity for detailed review of costs and revenues of the smart meter opt-out program. As ordered in D.14-12-078, the utilities will include a summary of costs incurred and revenues collected in order to provide the opt-out option in their next available GRC application filing. All parties, including ORA, have the opportunity to review this summary, obtain further detail, and assess the reasonableness of the costs.

The timeframe to implement bimonthly meter reading was not specified in D.14-12-078; utilities should have a reasonable amount of time to execute this directive.

In Ordering Paragraph 25 of D.14-12-078, the Commission directed PG&E, SCE, SDG&E, and SoCalGas to implement a bi-monthly (every two months) meter reading bill plan for customers who elect the smart meter opt-out option. In its smart meter opt out advice letter, PG&E proposed an amendment to Electric and Gas Rule No. 9 to comply with the Commission's directives.²⁵ In their smart

²⁵ PG&E added the following new language: "For customers participating in the SmartMeter Opt-Out Program, PG&E will read the meter on a bi-monthly (every two months) basis. PG&E will provide an estimated bill in months when the meter is not read and true-up the bill following the next meter read."

meter opt-out advice letters, SCE and SDG&E proposed similar language in their opt-out program tariff, however, in a footnote to the advice letter, SCE explained that implementation of the provision is expected to take 12-18 months to complete. Initially, SoCalGas did not propose bi-monthly meter reading in its smart meter opt-out compliance advice letter but proposed the same language as SCE in its supplemental advice letter filing.

In comments and reply comments on the alternate proposed decision leading to D.14-12-078, TURN contended that the record amply supported bi-monthly meter reading as a means to lower costs. We noted that TURN's request was opposed by PG&E and SCE but revised the final decision to allow for bi-monthly meter reading. Upon further research of the record, we discovered that SCE had described several issues related to the implementation of bi-monthly or quarterly meter reading supported by a level pay plan or estimated bills. Examples include delayed true-up bills if SCE is unable to read the meter, customer satisfaction issues if estimated bills are inaccurate (resulting in high quarterly true-up bills), and impacts on cash flow. In addition, SCE pointed out that it is not a common practice for SCE to estimate more than one consecutive monthly bill for non-access related issues, pursuant to California Public Utilities Code Section 770(d), and the purpose of SCE's level pay plan is not meant to replace monthly meter read (SCE still must read participating customers' meters every month).²⁶

Although we adopted the bi-monthly meter reading in D.14-12-078, we didn't specify a timeframe for implementation. Given SCE's stated concerns, we believe it is reasonable to grant the utilities sufficient time to resolve these and any other issues before implementation. SCE has stated that it would take approximately 12-18 months from the date of its advice letter filing which was February 6, 2015. We encourage the utilities to implement bi-monthly meter reading as soon as possible but require that it be fully implemented no later than March 1, 2016.

EON/Network's protest regarding specified e-mails is without merit.

²⁶ See SCE 11/24/14 Reply Comments on Proposed Decision and Alternate Proposed Decision Regarding Smart-Meter Opt-Out Provisions (in A. 11-03-014, et al).

EON/Network asserts that given their review of specified communications between PG&E and the Commission, the utilities' smart meter opt-out advice letters are invalid and illegal because they were based on a flawed and invalid proceeding. EON/Network claims certain emails contain evidence of collusion and a pattern of illegal ex parte communications, and therefore each of the utility's advice letters should be rejected.

EON/Network's claims are outside the scope of these smart meter opt-out implementation advice letter filings. EON/Network does not address any portion of the advice letters nor provides any evidence of non-compliance with D.14-12-078. Such allegations are the subject of applications for rehearing of D.14-12-078 now pending before the Commission, and should be considered, if at all, in that context.

COMMENTS

Per statutory requirement, a draft resolution was mailed to parties for comment at least 30 days prior to a vote of the Commission.

Public Utilities (PU) Code Section 311(g)(1) generally requires resolutions to be served on all parties and subject to at least 30 days public review and comment prior to a vote of the Commission. Accordingly, a draft resolution was served on SCE, SoCalGas, PG&E, SDG&E, Aglet, CEP, EON/Network, Eric Lynn, and Johnnie Burik, and was issued for public review and comment no later than 30 days prior to a vote of the Commission.

FINDINGS

1. D.14-12-078 directed PG&E, SDG&E, SCE, and SoCalGas to file advice letters to create electric and gas balancing accounts to record the amount of revenues collected from smart meter opt-out customers as compared to the recorded costs of the smart meter opt-out service.
2. To implement D.14-12-078 directives, SCE filed AL 3172-E on February 6, 2015, SoCalGas filed AL 4756 on February 10, 2015 (and supplemental AL 4756-A on June 2, 2015), PG&E filed AL 3568-G/4594-E on February 26, 2015, and SDG&E filed AL 2712-E/2369-G on March 6, 2015.

3. Certain provisions of these implementation advice letters were protested by Aglet, CEP, EON/Network, Eric Lynn, and Johnnie Burik.
4. In contemplating D.14-12-078, we considered but declined to require utilities to record any incremental savings associated with avoided costs of smart meters in their opt-out balancing accounts.
5. Consistent with our determination in D.14-12-078 for SCE, all “exit-fee” costs, “turn off” costs, or “exit costs” should be excluded from the utilities’ smart meter opt-out balancing accounts.
6. If the utilities determine that costs associated with re-installing a smart meter are significant, cost recovery can be re-evaluated in each utility’s next respective GRC.
7. Utilities are authorized to transfer balances from their smart meter opt-out memorandum accounts (excluding any “exit-fee” costs, “turn off” costs, or “exit costs”) to their smart meter opt-out balancing accounts.
8. Smart meter opt-out memorandum account entries must be retained for review and evaluation in the utilities’ next GRCs.
9. In general, electric utilities must use all-analog meters to provide service to residential customers under the smart meter opt-out programs, however, they are allowed to use non-analog meters, as necessary, in limited circumstances to provide TOU service or to address property access issues.
10. An ERT meter allows for safe, manual meter reads for SCE personnel without inconveniencing the customer by scheduling appointments to read the meter on a regular basis. However, if a customer wants an all-analog meter and addresses the property access issue, SCE should provide an all-analog meter.
11. CEP’s objections to existing utility tariff language are beyond the scope of the smart meter opt-out compliance advice letter filings.
12. New and/or revised tariff language proposed in the utilities’ smart meter opt-out implementation advice letter filings, as modified by this Resolution, does not add new terms and conditions to D.14-12-078, nor does it imply the terms and conditions of D.14-12-078 are optional.
13. Proposed language in the utilities’ opt-out implementation advice letters and tariffs is not “punitive.”
14. D.14-12-078 does not specifically direct the electric utilities to read multiple meters on a property at the same time to reduce the cost of the opt-out.

However, utilities should generally read meters in a manner that keeps meter reading costs down.

15. The reasonableness of actual costs recorded in the smart meter opt-out balancing accounts is outside the scope of the implementation advice letters. However, this issue can be raised and addressed in each utility's next available GRC.
16. Adding language to monthly newsletters and conducting training to encourage and/or assist customers to opt-out of smart meter service are outside the scope of the advice letters filed in compliance with D. 14-12-078.
17. There is adequate oversight and review of the smart meter opt-out program costs in place.
18. The timeframe to implement bi-monthly meter reading was not specified in D.14-12-078; the utilities should have a reasonable amount of time to execute this directive.
19. The utilities should fully implement bi-monthly meter reading as soon as possible but no later than March 1, 2016.
20. EON/Network's protest regarding specified e-mails is without merit.

THEREFORE IT IS ORDERED THAT:

1. Southern California Edison Company Advice Letter 3172-E, Southern California Gas Company Advice Letter 4756-A, Pacific Gas and Electric Company Advice Letter 3568-G/4594-E, and San Diego Gas & Electric Company Advice Letter 2712-E/2369-G are approved with modifications.
2. Pacific Gas and Electric Company shall file a supplemental advice letter within ten days to a) remove the tariff language from its gas and electric smart meter opt-out balancing account that provides for debits for reinstalling a smart meter if a customer moves, no longer wishes to participate, or is removed from the opt-out program, and b) add tariff language that specifically excludes all "exit-fee" costs, "turn off" costs, or "exit costs" from being debited into the smart meter opt-out balancing account.
3. Southern California Gas Company shall file a supplemental advice letter within ten days to add language that specifically excludes all "exit-fee" costs, "turn off" costs, or "exit costs" from being debited into the smart meter opt-out balancing account.

4. Southern California Edison Company shall file a supplemental advice letter within ten days to add language to its smart meter opt-out tariffs, to clarify that, in general, it must provide all-analog meters under the residential smart meter opt-out program but may use non-analog meters when it is necessary to provide Time-Of-Use service or to address property access issues. Southern California Edison Company shall also explicitly state that if a customer requests an all-analog meter, and addresses any property access issue, Southern California Edison Company will provide an all-analog meter.
5. Pacific Gas and Electric Company and Southern California Gas Company shall remove any “exit-fee” costs, “turn off” costs, or “exit costs” from their smart meter opt-out memorandum account balances.
6. Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company shall transfer balances from their smart meter opt-out memorandum accounts (excluding any “exit-fee” costs, “turn off” costs, or “exit costs”) to their smart meter opt-out balancing accounts.
7. Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company shall retain all smart meter opt-out memorandum account entries for review and evaluation in their next General Rate Case.
8. Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company shall fully implement bi-monthly meter reading as soon as possible but no later than March 1, 2016.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on September 17, 2015; the following Commissioners voting favorably thereon:

TIMOTHY J. SULLIVAN
Executive Director